

SOCIAL SECURITY AMENDMENTS OF 1954 (P.L. 761 - 83d CONGRESS)

1. COVERAGE OF CIA EMPLOYEES BY P.L. 761

- a. In the recent Congressional amendments to the Social Security Act, provision is made for the coverage (beginning in 1955) of certain Federal employees that were not previously subject to the Act. Since all Federal employees are included under the Social Security program unless they are specifically excluded therefrom, the Congress effected the additional coverage of certain groups of Federal employees by deleting from the law those sections which heretofore specifically excluded them. (See Tab B.) The pertinent categories of employees no longer excluded from the Act are as follows:
- (1) Employees excluded by Executive Order from the operation of the Civil Service Retirement Act because they are paid on a contract or fee basis;
  - (2) Employees receiving nominal compensation of \$12 or less per annum.
- b. As a consequence, it appears that types of Agency employees mandatorily covered by the new law include consultants and experts, temporary employees, part-time or WAE employees, and Contract Employees. Until the passage of P.L. 761, these categories of employees were not covered by Social Security due to their employment by contract. Although it has been the position of the Office of the General Counsel, as affirmed by contract instrument under the Social Security Law, it now appears that the 1954 Amendments have provided a statutory benefit to these categories of Agency personnel. Employees subject to the Civil Service Retirement Act or the military retirement program are among those specifically excluded from Social Security coverage and, presumably, categories of Agency personnel identifiable as independent contractors remain unaffected by the enactment of P.L. 761.

2. SECURITY AND ADMINISTRATIVE PROBLEMS INVOLVED IN COMPLIANCE WITH P.L. 761

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